

**WASHINGTON, D.C.** – Congresswoman Loretta Sanchez (CA-47), a member of the bipartisan, bicameral Joint Economic Committee, today sent a letter to California Governor Arnold Schwarzenegger and Steven Spears, the Executive Director of the California Housing Financing Agency (CalHFA), urging them to send Orange County its fair share of federal foreclosure-prevention funding for struggling homeowners in our community. The funding, made available through the U.S. Treasury’s “Hardest Hit Fund,” will be used to provide targeted aid to California families and local organizations that assist struggling homeowners.

“One of the saddest consequences of the recession has been the foreclosure crisis, which continues to affect the entire Orange County community,” said Rep. Sanchez. “The California Housing Financing Agency needs to hear how badly we’re hurting before it decides how to distribute millions in federal funding. I hope this letter will get Orange County families their fair share.”

Specifically, the state of California will receive nearly \$700 million in federal funding to provide earned principal forgiveness for borrowers behind on their mortgages and help unemployed families make their mortgage payments. The funding will also be used to facilitate short sales and deeds-in-lieu of foreclosure, and to help displaced families find stable, affordable housing. These smart, targeted investments will help stabilize the state’s housing market and keep tens of thousands of families in their homes.

A copy of Rep. Sanchez’s letter to Executive Director Spears and Governor Schwarzenegger can be found below:

California Housing Financing Agency

Attention: Mr. L. Steven Spears

Executive Director

1415 L Street, Ste. 500

Sacramento, CA 95814

Dear Mr. Spears:

I am writing to urge you to take into consideration the current housing crisis affecting the Orange County region during the distribution of funds for the "Hardest Hit Fund" foreclosure-prevention program that President Obama recently approved. This aid will support local initiatives to prevent struggling homeowners from losing their homes in the hardest-hit areas of California. Orange County is hurting and I believe that my constituents and the entire region can greatly benefit from this program.

The foreclosure rates and statistics in my district are staggering, and will reinforce the urgency and dire need for "Hardest-Hit Funds" to the Orange County region. According to Realtytrac.com one in 264 homes in Orange County received a foreclosure filing in the month of May 2010, totaling .38 percent of all houses in the region. Compared to the national average of .25 percent, Orange County's foreclosure rate for this month is significantly higher. Furthermore, since December 2009 alone, 3,826 homes have been foreclosed, 12,044 homes have been auctioned, and 10,538 homes have been or are in pre-foreclosure.

In the month of May 2010 alone, the new foreclosure activity in Orange County was seated in the Northern part of the region. I represent many of the cities in this region including the City of Anaheim which had the highest count of foreclosures at 413; Santa Ana, which came in second with 410 homes in foreclosure; and the City of Garden Grove with 217 homes in foreclosure.

The impact of the housing crisis is also having a devastating impact on the emotional well-being of my constituents and those who reside outside of my district. My constituents are contacting my office in record numbers seeking help because they have either defaulted and will undergo foreclosure or are going through a foreclosure and are desperate to keep their homes.

Families, couples, and individuals are losing their homes and it is imperative that as their Member of Congress, I advocate on their behalf and fight for resources that help prevent or reverse the foreclosure process.

Staying in a home not only benefits a family, couple or individual, but also benefits our neighborhoods and strengthens our economy and home values. It is my hope that the above information stresses Orange County's critical need for a generous share of the "Hardest Hit Fund." If you have any questions about my request, please do not hesitate to contact Gladys Barcena in my office at (202) 225-2965.